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Thailand

Bio-Fuels

New Policy Framework Promoting Biofuel Use 2008

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Report Highlights:

On March 18, the Thai Cabinet approved a policy framework proposed by the Committee on National Energy Policy to tackle rising energy prices in Thailand. This framework includes reducing the oil tax, subsidizing prices for diesel used in the fishing industry, and promoting the use of Natural Gas for Vehicle (NGV), Liquefied Petroleum Gas (LPG) and biofuels.

Includes PSD Changes: No
Includes Trade Matrix: No
Trade Report
Bangkok [TH1]
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The proposed biofuel promotion and development measures include:

Ethanol:

- 1) Assigns the Ministry of Energy to coordinate with the Ministry of Agriculture and Cooperatives to develop a strategic plan for maintaining sufficient raw materials supplies and for developing an improved logistics system;
- 2) Assigns the Department of Energy Business to coordinate with relevant agencies and ethanol producers in promoting ethanol exports and determining constructive strategies for stabilizing ethanol supplies and prices;
- 3) Assigns the Department of Energy Business to coordinate with relevant agencies on the promotion of Gasohol through public relations, outreach activities, and increasing the number of Gasohol stations.

Biodiesel:

- 1) Assigns the Ministry of Energy to coordinate with the Ministry of Agriculture and Cooperatives and the Ministry of Commerce to create a mechanism for ensuring sufficient raw material supplies with reasonable prices;
- 2) Assigns the Department of Energy Business to coordinate with auto manufacturers in promoting the use of B2 or B5.

An additional component of the approved policy framework is the re-establishment of the Committee on Biofuel Development and Promotion (CBDP). The first CBDP, which was terminated in 2006, was responsible for supervising biofuel policy and activities associated with biofuel promotion. The new Committee's responsibilities will be extended to cover research and development of plants for energy.

End of Report.